1 UNITED STATES DISTRICT COURT 1 EASTERN DISTRICT OF VIRGINIA 2 ALEXANDRIA DIVISION 3 UNITED STATES, et al., Case 1:23-cv-108 4 Plaintiffs, 5 Alexandria, Virginia v. September 15, 2023 6 GOOGLE LLC, 9:56 a.m. 7 Defendant. Pages 1 - 12 8 9 TRANSCRIPT OF MOTION FOR PARTIAL SUMMARY JUDGMENT ON THE PLEADINGS OR TO STRIKE AS TO GOOGLE LLC'S 10th AND 10 11 13TH AFFIRMATIVE DEFENSES OR, IN THE ALTERNATIVE, FOR A 12 PROTECTIVE ORDER 13 BEFORE THE HONORABLE LEONIE M. BRINKEMA 14 UNITED STATES DISTRICT COURT JUDGE 15 16 17 18 19 20 21 22 23 2.4 25 COMPUTERIZED TRANSCRIPTION OF STENOGRAPHIC NOTES

## PROCEEDINGS 1 2 THE COURTROOM DEPUTY: Civil Action 23-108, 3 United States of America v. Google, LLC. 4 Would counsel please note their appearances 5 for the record. 6 MR. MENE: Good morning, Your Honor. Gerard 7 Mene from the U.S. Attorney's Office. 8 THE COURT: Good morning. 9 MS. WOOD: Good morning, Your Honor. Tarver Wood with the Department of Justice for the 10 11 United States. 12 THE COURT: Good morning. 13 MS. WOOD: My colleague here, Aaron Teitelbaum, will be arguing today. 15 THE COURT: All right. 16 MR. HENRY: Good morning, Your Honor. Tyler Henry from the Attorney General's Office on behalf of 17 18 the plaintiff states. 19 THE COURT: All right. We have the plaintiff 20 team here. 21 Now for the defense. 22 MR. MAHR: Good morning, Your Honor. Eric Mahr for Google, and with me is Scott Eisman, Tyler 24 Garrett, Andy Ewalt, and our local counsel, Mr. Craig 25 Reilly.

1 THE COURT: Mr. Mahr, you're going to be 2 arquing? 3 MR. MAHR: I am, Your Honor. 4 THE COURT: As you know, the only motion I 5 have -- I know you have motions with Judge Anderson when you leave this courtroom -- is the plaintiffs' 7 motion for judgment as a matter of law on the two affirmative defenses, 10 and 13, or, in the alternative, motion to strike or motion for a protective order, the latter of which becomes moot if I 11 grant one of the first two requests. 12 So, Mr. Teitelbaum, you're arguing. 13 hear from you. I have obviously read your papers, so I don't need a lot of repetition. 15 MR. TEITELBAUM: Understood, Your Honor. 16 Thank you. 17 Following a multiyear investigation, the 18 United States and the 17 plaintiff states brought this 19 action against Google because the facts and the law demanded that we do so. 21 Google does not allege that this case is 22 frivolous or that no reasonable prosecutor would have brought this case. Instead, Google is attempting to 24 elevate its disagreement with the United States' staffing and personnel decisions to the level of a

constitutional violation, and there is no such violation here.

Still, based on Google's dislike of the assistant attorney general's involvement in this matter, Google has propounded improper, invasive, and unduly burdensome discovery requests on the United States and others seeking to probe and second-guess discretionary prosecutorial decision-making that sits at the core of the Executive Branch's unique law enforcement responsibilities.

Recognizing that a presumption of regularity attaches to prosecutorial decision-making, the Supreme Court in Armstrong and the Fourth Circuit precedent that flows from that case forbid this type of discovery in all but the most extraordinary circumstances.

And despite having had an opportunity both in its answer and again in its 30-page response brief, Google has come nowhere close to articulating a viable legal theory either of selective prosecution or of a due process violation.

The deficiencies in Google's pleading and its response brief show that the 10th and 13th affirmative defenses fail as a matter of law, and they should be dismissed or stricken without leave to amend.

THE COURT: All right. Thank you. Short and

succinct, excellent. 1 2 MR. TEITELBAUM: Thank you, Your Honor. 3 THE COURT: Mr. Mahr. 4 MR. MAHR: Good morning again, Your Honor. 5 From the outset of this case, the central theory of Google's defense has been that this is a case 6 7 brought on behalf of Google's rivals, not to protect consumers but to protect competitors, rather the 9 competition. 10 Also from the outset of this case, Google has raised concerns that AAG Kanter's lead role in bringing 12 Ithis case deprives Google of its basic right to a fair 13 and just --14 THE COURT: But doesn't the record show that 15 the Department of Justice began this investigation back in August of 2019 under the Trump administration and 17 under the a different attorney general? 18 MR. MAHR: It did begin an investigation but 19 bringing -- investigating is different than bringing a 20 case. 21 THE COURT: As I read your Affirmative 22 Defense 13, it says you're criticizing both starting the investigation, as well as the prosecution of the 23 24 case itself. And you can't argue on this record that 25 the investigation was somehow started by Mr. Kanter.

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MR. MAHR: Not at all. We're focused on the bringing of the case itself. The Biden administration sat for two years without bringing any case. Department of Justice sat for two years without bringing any case after 30 or so other cases had been brought. And then within 11 weeks or so of Mr. Kanter becoming -- after one year, instead of two under the Biden pledge, to act on this case, they bring a case. They pursue a jury and damages that they did not investigate at all during this three-plus year investigation they had. And they file a complaint that 12 lines up very closely with all of the allegations that Mr. Kanter both on behalf of his clients in private practice and on behalf of himself as a complainant in this case. I think that's really the extraordinary fact here, is that the little discovery we've been able to pry out of the Department of Justice to date through the investigative file reveals that Mr. Kanter along with the DOJ's chief economist, who at that point was not the chief economist, appeared before the Antitrust Division in his words "on their own behalf," not for any specific client, to lobby the Department of Justice to bring the very case that he then filed within 11 weeks of his becoming the lead lawyer and

decision-maker in this case. We think that's an extraordinary fact. I've never seen that anywhere else.

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And, in fact, I think, you know, there's an effort in the briefs to say, "Oh, well, the career officials all signed onto it." I don't think that's the answer: When the boss comes in, the assistant attorney general says, "We're filing this case even though it hadn't been filed for two years before by the career staff." Mr. Kanter shouldn't be allowed to hide 11 | behind the career staff when he directed them to do 12 that.

You know, I've had the pleasure and privilege of working at the Department of Justice myself. I've been to trial with the career staff. They hold themselves to the highest standard that I can imagine. What I can't imagine is anybody -- any trial attorney or any AUSA thinking that it would be okay for them to handle a matter where they had previously in private 20 practice handled a complainant in that matter.

That's where all the cases about due process go. It's a disinterested prosecutor that we're --

THE COURT: Well, I might agree with you if 24 Mr. Kanter were the sole prosecutor on this case. 25 ∥as pointed out in the plaintiffs' papers, you've got

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multiple attorneys general from various states. And I note for the record that these are both from the Republican and Democratic side of the political spectrum. You have the Virginia attorney general, who is a Republican. You have Democratic attorney generals from some of the other states.

This is not the kind of horrendous case that you're positing where an individual prosecutor or individual government lawyer with a vendetta against your client has brought an enforcement action. This is an enforcement action that is being brought by the 12 entire Department of Justice. It has been ongoing for several years.

I, frankly, find that this really -- these two affirmative defenses, in my view -- and I've looked 16 at this carefully because it's serious charges that you've raised. Essentially, it's a red herring defense.

Google needs to focus on the essential issue of this case, which is whether or not the way it has structured this advertising series of platforms is, you know, anticompetitive. That's the case.

I understand as an advocate you're trying to 24 do the best you can for your client. In my view, this is a mistake. It diverts resources, time and energy

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Ithat should be focused on the core issues in this case and not on what are essentially ad hominems. I am going to grant the plaintiffs' motion  $\parallel$ and enter a judgment as to Counts 10 and -- not counts, I'm sorry -- Affirmative Defenses 10 and 13. They will be dismissed. That should alleviate for some of the third parties, who I think also have expressed an interest in this case -- that should to some degree anyway relieve some of the discovery issues that have arisen. I don't know the degree to which this will 12 limpact your arguments before Judge Anderson at 11:00, but you need to get this case more focused. There are huge discovery problems, as I understand it, that are percolating, and getting these issues out of the case should reduce a significant number of those. my decision. Thank you. MR. MAHR: Your Honor, if I may, may I clarify? THE COURT: Yes. I understand the ruling on the two MR. MAHR: affirmative defenses. We are still seeking discovery on these topics quite apart from the affirmative

defense with especially the third parties going to

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their motivation, their bias. They are the third-party complainants on whom the Department of Justice has based its complaint.

I think we're entitled to ask them: How long have you been lobbying the government to bring this case? What benefits will you bring this case? Those kind of motivations and biases go to the heart of their credibility as witnesses in this case and the government's credibility in bringing this case. So we would ask leave to continue that discovery.

THE COURT: I am going to let Judge Anderson 12 Itake a look at that. He's closer to your day-to-day discovery issues than we are.

Certainly, to the extent that any competitor lis envisioned to be a witness in the case, you have a 16 right to probe aspects of that witness' possible bias or prejudice. But just a freewheeling approach to that I'm not going to permit.

All right. Now, the only other thing I will 20 say is I am concerned about whether it would be appropriate for Mr. Kanter to stay out of this case. really -- you know, as a judge -- you never want the ∥judge to become an issue in a piece of litigation. And the same way when I was a prosecutor. I did not want the prosecutor or the U.S. Attorney's Office to become

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an issue in an otherwise good prosecution.
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             I think the Department of Justice needs to
  think very carefully and use some wisdom and continue,
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  as I understand it, the current recusal of Mr. Kanter.
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  I'm not ordering it, but I think it's something that
  wise counsel should think about.
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             All right. So that's my ruling for today.
  Thank you.
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             MR. MAHR: Thank you, Your Honor.
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             THE COURT: We'll recess court for today.
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                       Time: 10:08 a.m.
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        I certify that the foregoing is a true and
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    accurate transcription of my stenographic notes.
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                             Rhonda F. Montgomery, CCR, RPR
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